Trade with China through land route

†176. SHRI HARISH RAWAT: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the details of the steps being taken to promote trade with China through land route;

(b) whether it is a fact that predominately raw material is being exported to China; and

(c) if so, the steps being taken to promote export of engineering goods through land route?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVAN): (a) Border trade with China was resumed following the signing of a MOU on Resumption of Border Trade through Lipulekh Pass in December, 1991. The Protocol for extension of border trade to Shipkila Pass was signed in September, 1993. Accordingly, border trade between India and China is being conducted through two routes i.e. Gunji in Pithoragarh District of Uttaranchal along with Gunji Pulan (Tibet) land route and village Namgya Shipkila in Kinnaur District of Himachal Pradesh along the Namgya-Shipkila-Shipki Jiubu, land route. During the visit of the then Prime Minister of India to China in June 2003, the two sides agreed to open a third route in Sikkim from Nathula Pass for border trade. Border trade from this route is yet to start.

(b) No, Sir. Major items of export from India to China are diverse and *inter alia*, include iron ore, primary & semi finished iron & steel, Plastic & linoleum products, drugs, pharmaceuticals & fine chemicals, processed minerals, marine products, petroleum products, etc. As far as trade through land route is concerned, following items are allowed to be exported freely:-

Agricultural implements, Blankets, Copper Products, Clothes, Textiles, Cycles, Coffee, Tea, Barley, Rice, Flour, Dry Fruit, Dry and fresh vegetables, Vegetable Oil, Gur and Misri, Tobacco, Snuff, Cigarettes, Canned Food, Agro-Chemical, Local herbs, Dyes, Spices, Watches, Shoes, Kerosene Oil, Stationery, Utensils and Wheat.

(c) Steps being taken, on an ongoing basis, for increasing Indian exports of enginerring goods including trade through land route to China include participation in trade fares/exhibitions, exchange of delegations at both governmental and business levels, etc.

† Original notice of the question was received in Hindi.